

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
FRANCHISE GROUP, INC., *et al.*,¹) Case No. 24-12480 (LSS)
Debtors.) (Jointly Administered)
) Re: Docket Nos. 150, 654, 894, 925, 957, 996,
) 1015, 1233, 1312, 1430, 1478, 1454, 1561,
) 1596 & 1649

**CERTIFICATION OF COUNSEL REGARDING FINDINGS OF
FACT, CONCLUSIONS OF LAW, AND ORDER CONFIRMING THE NINTH
AMENDED JOINT CHAPTER 11 PLAN OF FREEDOM VCM HOLDINGS, LLC**

On November 11, 2024, the above-captioned reorganized debtors and debtors in possession (collectively, the “Debtors” and each, a “Debtor”)² filed the *Joint Chapter 11 Plan of Franchise Group, Inc. and Its Affiliated Debtors* [Docket No. 150] (as amended, supplemented, or modified

¹ The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

² On June 6, 2025, every Debtor except Freedom VCM Holdings, LLC (“TopCo”) emerged from chapter 11 and are now the Reorganized Debtors (as defined in the Plan), as applicable. *See Notice of (I) Entry of Confirmation Order, (II) Occurrence of Effective Date, and (III) Related Bar Dates* [Docket No. 1605].

from time to time, the “Plan”) with the United States Bankruptcy Court for the District of Delaware (the “Court”).³ Subsequently, the Debtors filed amended versions of the Plan [Docket Nos. 654, 894, 925, 957, 996, 1015, 1233, 1312 & 1454].

On May 7, 2025, Brian Kahn and Lauren Kahn JT TEN (together, the “Kahn Parties”) filed the *Objection and Reservation of Rights of Brian Kahn and Lauren Kahn JT TEN to Confirmation of Eighth Amended Joint Chapter 11 Plan of Franchise Group, Inc. and Its Debtor Affiliates* [Docket No. 1430] (the “Kahn Objection”), objecting to Confirmation of the Plan. On May 14, 2025, in response to the Kahn Objection and in support of Confirmation of the Plan, the Debtors filed the *Debtors’ Second Omnibus (Nonsubstantive) Objection to Proofs of Claim* [Docket No. 1478] (the “Second Omnibus Claims Objection”), objecting to the Proofs of Claim filed in the Chapter 11 Case of TopCo, asserting, among other things, that such claims were asserted against the wrong Debtor party and were not otherwise *prima facie* valid.

On May 20, 2025, the Court held a hearing to consider Confirmation of the Plan and approval of the Global Settlement. On June 2, 2025, the Court entered the *Findings of Fact, Conclusions of Law, and Order (I) Confirming the Ninth Amended Joint Chapter 11 Plan of Franchise Group, Inc. and Its Debtor Affiliates and (II) Approving the Global Settlement and Release of Claims and Causes of Action by and Among the Global Settlement Parties* [Docket No. 1596] (the “Non-TopCo Confirmation Order”), confirming the Plan with respect to all Debtors other than TopCo and approving the Global Settlement as to all Debtors.

On May 27, 2025, the Court entered the *Order Approving Stipulation and Agreed Order Relating to the Withdrawal of (I) Proofs of Claims of the Claimants and (II) the Claims Objection*

³ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan or the TopCo Confirmation Order (as defined herein), as applicable.

[Docket No. 1561] (the “Claims Stipulation Order”). On June 16, the Court entered an order sustaining the Second Omnibus Claims Objection [Docket No. 1649] (the “Claims Objection Order”).

Following entry of the Non-TopCo Confirmation Order, the Claims Stipulation Order, and the Claims Objection Order, the Debtors engaged in discussions with counsel for the Kahn Parties, the Global Settlement Parties, and the U.S. Trustee (collectively, the “Interested Parties”) regarding the entry of a consensual order confirming the Plan with respect to TopCo. In connection with those discussions, the Debtors and the Interested Parties have agreed to a proposed form of order, attached hereto as **Exhibit A** (the “TopCo Confirmation Order”) to Confirm the Plan with respect to TopCo. The Interested Parties have informed Debtors’ counsel that they do not object to entry of the TopCo Confirmation Order under certification of counsel.

WHEREFORE, as the Interested Parties affirmatively do not object to entry of the TopCo Confirmation Order, and absent any questions from the Court, the Debtors respectfully request the entry of the TopCo Confirmation Order at the earliest convenience of the Court without further notice or a hearing.

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Dated: June 30, 2025
Wilmington, Delaware

/s/ Allison S. Mielke

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